

**Carmel Clay Public Library
Minutes of the Board of Trustees Meeting
March 26, 2018**

**Board Room
5:30 p.m.**

Present: President Ranj Puthran, Vice President Jim Hehner, Treasurer Dan Kramer, Secretary Patti Napier; Members Jim Garretson, Jane Herndon, Jack Stafford; Library Director Bob Swanay; Assistant Director Nancy Newport; Managers Jamie Beckman, Lisa Dick, Elizabeth Essink, Beth Jenneman, Katherine Kersey, Peter Konshak, Christine Owens, Christy Walker, Cindy Wenz; Foundation Director Liz Hamilton; Administrative Assistant Johnna Mishelow

Absent:

CALL TO ORDER/WELCOME

President R. Puthran called the meeting to order at 5:31 p.m. All in attendance were welcomed. B. Jenneman was presented with a cake to recognize her upcoming resignation to pursue a new endeavor.

AGENDA

J. Garretson moved to amend the agenda to add discussion of possible purchase of property under New Business, seconded by J. Herndon, and the motion carried.

MINUTES

J. Hehner moved approval of the minutes of the February 26, 2018 meeting, seconded by J. Herndon, and the motion carried.

TREASURER'S REPORT

February Financial Report: D. Kramer presented the Financial Report noting line 6313 under Consultants. We are about 82 percent of our budgeted amount. That is primarily the fees for MSR. The use of their services continued beyond what was originally anticipated. Under Capital Outlays, an expense of \$57,080 is an equipment purchase that was encumbered. D. Kramer clarified that COIT is certified in November of December; therefore, our COIT is the same amount every month. N. Newport reported that the vehicle maintenance expense was due to a generator issue on the mobile library. D. Kramer stated fund balances continue to be healthy. Encumbrances continue to be paid down. Presido and Irish Mechanical were not recorded as encumbrance liquidations until after February 28. That will show up on next month's encumbrance report.

J. Hehner moved to receive the February Financial Report, seconded by J. Garretson, and the motion carried.

March Bills List: D. Kramer presented the Bills List and noted on line 6410 under the Equipment category, there was an Irish Mechanical and Presido expense. P. Konshak stated money was encumbered at the end of last year to replace the air conditioner in the computer room. The unit was almost 20 years and the coolant is no longer manufactured. The Presido invoice is due to an upgrade of our four network switches. The replacement will be scheduled soon.

J. Hehner moved approval of the March Bills List, seconded by J. Stafford, and the motion carried.

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COMMITTEE REPORTS

Building & Grounds: N. Newport referred to a document in the Board packet that lists items to be declared as surplus.

J. Garretson moved approval of the Surplus Inventory, seconded by J. Herndon, and the motion carried.

Finance: D. Kramer stated the State Board of Accounts is currently in the midst of an audit of CCPL. They will take about three weeks to complete the audit. The fund balance policy was included in the board packet. The Government Finance Officers Association as well as GASB came up with a different way of classifying fund balances into nonspendable, restricted, and several components under unrestricted. D. Kramer went through and reclassified. Under the restricted would be debt service, state technology grant, and PLAC funds. Under committed is LIRF and Capital Projects because those are not as flexible as Rainy Day or Operating. You can't spend them on operating expenditures. Under unassigned is general fund, Rainy Day fund, and Friends and Foundation. While talking to consultants, we looked at our past report. When S&P rated us in 2015, we had an unofficial general fund reserves of 50 percent of property tax revenue, in other words six months of property tax revenue. At the One Zone breakfast a year ago, they stated their desired balance is an amount equal to 6 months property tax revenue. So a pattern of six months can be seen from these examples. D. Kramer stated we have two sources of revenue that are almost equal, LIT and property tax revenues. The two combined are \$7,808,000. D. Kramer recommended that we reserve in the combination of operating and Rainy Day fund, an amount not to be under 6 months of those two revenue sources combined. This amount would be 3.9 million. S & P likes to see a fund balance policy. J. Herndon said she would like to see us have a policy in place.

J. Garretson moved that the Director bring a draft of a fund balance policy to the next board meeting, seconded by J. Herndon, and the motion carried.

Personnel & Policy: The handout outlining the year-to-date 2018 personnel changes was acknowledged with no further report. P. Napier stated included in the board packet are the final updated documents for the policy manual.

Strategic Planning: C. Walker referred to the document included in the Board packet that summarizes what has taken place in the first quarter of this year. C. Walker pointed out that it is program heavy. Information on the back page shows programs that are full, and times when we are running out of space. These numbers will continue to be compiled as data for the library needing more space. D. Kramer stated Umbaugh will get back with him shortly with various options as to how we can use our money and bonds.

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TRUSTEE LIAISON REPORTS

Foundation: L. Hamilton provided a written report. In addition, L. Hamilton stated Whole Foods will be the sponsor of the Seed Library. L. Hamilton and J. Beckman have been working on a storytelling program in honor of Hope Baugh that will occur on June 6, her birthday. Carmel Youth Assistance contacted L. Hamilton to see if she would give a Korean family a tour of the library and show them where our World Literature collection is. L. Hamilton showed the family where the books on tape are located, but the mother stated that the daughter has a few favorite books that were not available on tape. A Guild member volunteered to record the child's favorite books using the Whisper Room. L. Hamilton showed the board the lovely thank you note that was given to her from the child.

Friends: P. Napier mentioned the Friends Book Sale is in April. She handed out flyers detailing the event. P. Napier reported the 2018 budget has been set. The Friends will contribute \$7,000 more this year than last year, mostly because of the Amazon sales. One of the goals the Friends has is to hold two events a year. The first event will be a wine and cheese Edutainment on Thursday, April 26 from 5:30 p.m. to 7:00 p.m. in the Storytime Room. J. Hehner suggested calling the insurance agent to see if there should be a one day insurance policy for this event.

Legislative: No report.

Telecommunications: J. Garretson spoke to Winston Long. Since the city spent so much money to go to HD, he plans to approach each of the four vendors separately. MetroNet was happy to do it for PR reasons. Spectrum will also be on board. AT&T is still a major problem, however, due to their national policy.

DIRECTORS REPORT

B. Swanay stated the PLA conference was very good. The weather problems prohibited some staff from being able to attend, however. Many flights were canceled. B. Swanay purchased a book titled Planning Optimal Library Spaces. He will provide more notes regarding the conference at the next board meeting. B. Swanay has had conversations with MSR regarding the strategy of how to present this vision at the April 19 Public Forum. The library is trying to get prepared on a marketing level to be able to talk about the vision. The Speakers Bureau will reach out to a lot of local clubs and organizations and offer to present the vision. There are a lot of components to the vision that will involve a master long-term vision as well as the various phases.

J. Hehner moved to receive the Directors Report, seconded by J. Stafford, and the motion carried.

OLD BUSINESS

There was no old business discussed.

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NEW BUSINESS

J. Garretson stated a few people toured the facility at the Village of West Clay. He provided the following information. The facility is 3,504 square feet with an outdoor patio. The parking is limited to about 12 cars in front and on the side, but there is a parking lot behind it that is public parking. It is in a location where a lot of the traffic could be pedestrians. The building was built in 2004. It is where Broccoli Bill's used to be. At one time it was assessed at \$660,000. In October of 2016, it went through a Sheriff's Sale and sold for \$425,000. The original asking price was \$550,000 to buy or \$18 per square foot to lease. During the auction, they had to leave everything that was on the inside. It has meat cases, refrigerators, cooking equipment, shelving, utensils and pans. These items can be sold. The price is \$475,000. There will need to be some renovations to make the space ready. Plus, we will need to purchase books, tables, shelving, and furniture. The facility has restrooms, women and men, and three rear access doors.

B. Swanay stated it is a unique opportunity given its location and the fact that it's a single site building. The initial intention was for the library to lease, but buying the property would provide us with more options. The space has a lot of open windows to provide natural light and a patio area. It is easy to see this as a library location. The size is within what we estimated what we would need. This facility meets all of the criteria. B. Swanay stated it is a better option for us to consider purchasing this property rather than to lease.

There was further discussion. It was suggested to pay cash initially. Then, roll it into a bond issue to pay ourselves back. J. Herndon suggested a Reimbursement Resolution which would leave us the ability to reimburse ourselves. A project estimate of the real estate costs plus the other expenses would be helpful. It is possible to make the Reimbursement Resolution high enough to cover all the expense. J. Herndon suggested consulting with a real estate expert in order to know the right amount to offer for the property. J. Stafford recommended using a commercial real estate representative. J. Herndon recommended finding out what type of rules need to be followed for a public building, like the installation of sprinkling and exits. The staffing would be minimal, two people in the building during the hours of operation. The book drop at CVS would be moved to this location, and we will rethink how we courier items from one location to the other. The budget for three years, including the first years cost of furniture and equipment, for staff and operations was about \$1,000,000. J. Hehner asked about the 63 parking spaces. He wanted to know if they were total public access spots.

J. Herndon made a motion to authorize the administration to pursue the purchase of this real estate at a purchase price not to exceed the list price, plus any other professional fees needed to get to the point of purchasing the real estate, seconded by J. Hehner, and the motion carried.

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B. Swanay stated if an offer was made, the process is that there would be a contingency on the inspection. We would have time to evaluate the inspection and negotiate based off the inspection. B. Swanay will also have the library attorney review documents associated with the purchase. The board members will tour the facility this Saturday at 12:30. Managers are also invited.

ADJOURN

President R. Puthran adjourned the meeting at 6:55 p.m.

Patricia A. Napier, Secretary
Board of Trustees
/jrm